



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

MAY 15 2006

ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

MEMORANDUM FOR: All Formula Program Grantees
All CPD Field Directors

FROM: *Pamela H. Patenaude*
Pamela H. Patenaude, Assistant Secretary, D

SUBJECT: Guidance on Preparing FY 2006 Consolidated Submissions

The purpose of this memorandum is to provide guidance for the preparation of FY 2006 consolidated plans and action plans that are submitted after March 13, 2006. This memorandum, updated guidelines, and other reference material are available at: <http://www.hud.gov/offices/cpd/about/conplan/index.cfm>. Grantees should check the website periodically for updates and additional information.

On February 9, 2006, the U.S. Department of Housing and Urban Development published the Consolidated Plan Revisions and Updates final rule in the Federal Register. The purpose of the final rule was to streamline the consolidated planning process and make it more results oriented and useful to communities in assessing progress toward addressing the problems of low-income areas. On March 13, 2006, the provisions of the final rule became mandatory for all formula grantees. A final notice dealing with the outcome measurement framework was also published in the Federal Register on March 7, 2006.

The new requirements that will actually affect most jurisdictions this year will be those that deal with the annual action plan. Grantees submitting action plans after March 13, 2006 need to address the attached action plan provisions contained in §§91.220 and 91.225 (for local governments), and §§91.320 and 91.325 (for states). Grantees submitting a complete five-year consolidated plan after March 13, 2006 need to address all the provisions of the final rule.

While some grantees have already completed preparation of their FY 2006 plans, others are well into the planning and development process. If a grantee does not have enough time to address the new provisions of the final rule before the start of their program year, HUD will provide an additional ninety days from their FY 2006 program year start date to make appropriate amendments to their action plan.

HUD recognizes the final rule imposes new requirements and expects the first year or two to be a time for capacity building. Since we are in a transition, failure to provide the new information will not be the sole basis for disapproval of a submission in FY 2006. It is advisable that grantees consult with their local field office prior to submitting their consolidated plans and action plans to avoid potential delays due to incomplete or inadequate submissions.

Attachment